

**STATE OF ALABAMA
REQUEST FOR PRPOSAL
COST ALLOCATION AND ANALYSIS SERVICES**

PRPOSAL QUESTIONS AND ANSWERS

MAY 28, 2003

The following questions and answers are related to the Request for Proposal for Cost Allocation and Analysis Services:

1. What is the Due Date? *The due date for responses to the RFP is Friday, June 6, 2003.*
2. What are the Federal questions and concerns regarding prior years? How many years are we talking about? Are the questions concerning allowable costs, unallowable costs, charge back structure, implementation of existing system or allocation statistics? *The State has negotiated settlements through FY 2000. All future concerns are related to allowable costs as opposed to cost allocation methodology.*
3. Since a charge back system is in place, am I correct in that the allocation stats are already being collected by the system (i.e. billing units)? *Yes.*
4. Does this RFP include both voice and data charge back systems? *Yes, it also includes Data Center charges.*
5. Is there a brief description of the existing billing systems and current billing rates available for review? *The State currently uses the MONIES billing system for voice and data communications and SIMS for the Data Center billing. Rates are available from Mr. Maxie Cooper, Manager of Administration Services, at 334/242-3956 or by email at mcooper@isd.state.al.us.*
6. With the short turn around time and brief RFP, is the State serious about considering other qualified firms or is this just a perfunctory process that must occur and the State is not serious about considering other qualified vendors? *The State of Alabama is open for business to all qualified firms.*
7. How long has the State used the same consultant to prepare the plan and rates? *The State has used the same consultant since 1987.*
8. Have there been previous questions and audit exceptions from the Feds regarding the chargeback system utilized by the State and the current consultant? *Yes, there have been two previously negotiated settlements.* Have they been resolved? *Yes, through FY 2000.*
9. Does the Examiner of Public Accounts audit the cost plan, rates and chargeback system as the State auditor does in other states? *No.*

10. What is the time period for this project? ***This will be fixed price contract for a twelve (12) month period.*** Has the FY 2002 plan and rates been prepared and submitted to DHHS/DCA yet? ***The FY 2002 plans and rates have been prepared but not negotiated.***

11. Who or what firm currently provides cost allocation services on your behalf? ***MAXIMUS, Inc.***

12. What software or methods are currently used to prepare your plans and rates? ***This is propriety software provided by MAXIMUS.***

13. Are any time study methodologies utilized? ***Yes, these are provided by MAXIMUS, Inc.***

14. What assistance or resource will be provided to a new vendor with regard to understanding exactly how the previous year's plans were prepared? ***The State will attempt to provide as much assistance as possible.***

15. What are the estimated time frames or due dates associated with each task? ***Rates for FY 2004 must be negotiated by August 31, 2003. The other tasks need to be completed ASAP for negotiation with the Federal government.***

16. Do you desire a fee schedule or an actual price for services? ***The State is seeking a fixed-price contract for a period of twelve (12) months.***

17. Does each member of the project team, assigned to this project, require 10 years of experience in this area? ***No; however, the firm must have at least 10 years of experience in providing these types of services.***

18. Are sub-contractor agreements acceptable? ***Yes.***

19. Is preference given to a vendor with a specific location? ***The State of Alabama gives preference to Alabama firms.***